



## Agenda Report

18-1380

Agenda Date: 11/13/2018

### REPORT TO COUNCIL

#### **SUBJECT**

Action on an Agreement with Santa Clara Gateway I LLC and Arista Networks, Inc. to Allow for Two Electric Services at 5453 Great America Parkway

#### **BACKGROUND**

Santa Clara Gateway I LLC, is the building owner at 5453 Great America Parkway and Arista Networks, Inc. (Arista) is a tenant and the City's utility customer of record. Arista is a computer networking company headquartered in Santa Clara and has a desire to grow its business by creating additional lab space in the building to test new products. In order to accommodate this load growth, which would exceed the capacity of their existing transformer by 20%, Arista has requested two electrical services when routinely only one is allowed.

On April 3, 2018, the City Council approved the use of City Electric forces to install the second 2000kVA service at 5453 Great America Parkway funded by Arista which also included the prepayment to remove the second service in the future, if needed. A Special Facilities Agreement (Agreement) is required in order to document this departure from Silicon Valley Power's (SVP) standard service design per SVP's published Rules and Regulations, Rule number 9.A.4 "Description of Standard Electric Service - Number of Electric Services."

#### **DISCUSSION**

The Special Facilities Agreement (Attachment 1) allows the customer to have two services in order to meet their immediate load growth which is projected to exceed the capacity of their existing 2000 kVA transformer. As SVP does not utilize 3000 kVA transformers, customers with load forecasts over 2500 kVA are generally required to upgrade to a primary, 12 kV service (up to 4500 kVA capacity). Arista will be required to install a SVP approved load shedding scheme to ensure that the two services will not exceed 3000 kVA.

The Agreement obligates Santa Clara Gateway I LLC to be responsible to pay for any overtime costs if they request removal of the second electrical service outside of normal business hours.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the means of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### **FISCAL IMPACT**

Arista has paid for the cost to install and prepaid the cost to remove the second service. SVP will receive additional revenue due to Arista's increased electricity usage.

**COORDINATION**

This report has been coordinated with the Finance Department and City Attorney's Office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

Approve a Special Facilities Agreement with Santa Clara Gateway I LLC and Arista Networks, Inc. to allow for two electric services at 5453 Great America Parkway.

Reviewed by: John C. Roukema, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Special Facilities Agreement with Santa Clara Gateway I LLC and Arista Networks, Inc.